

### REMARKS

This responds to the Office Action mailed on December 20, 2004, and the references cited therewith.

Claims 1-16, 20-22, and 24 are amended, no claims are canceled, and no claims are added; as a result, claims 1-25 are now pending in this application.

#### About the Amendments

Claims 1-16, 20-22, and 24 were not amended for reasons of patentability. Instead, these claims were amended to more clearly point-out the invention.

#### §103 Rejection of the Claims

Claims 1-3, 8-10, and 12-25 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Egendorf (U.S. 5,794,221) in view of "The Official eBay Guide to Buying, Selling, and Collecting Just About Anything" (hereinafter referred to as "*eBay*").

Applicants respectfully traverse this rejection because the Office Action has not established a *prima facie* case of obviousness.

In order for the Examiner to establish a *prima facie* case of obviousness, three base criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *M.P.E.P.* § 2142 (citing *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed.Cir. 1991)).

Applicants respectfully submit that the Office Action does not establish a *prima facie* case of obviousness because the references do not teach or suggest all the claim elements, and even if they did, there is no suggestion or motivation to combine the references.

THE REFERENCES DO NOT TEACH OR SUGGEST ALL THE CLAIM ELEMENTS

*Discussion of Claim 1*

Claim 1 recites, “performing a risk analysis... to determine whether the second participant is qualified to use a payment instrument.” (Emphasis added.) In rejecting claim 1, the Office Action admits, “Egendorf fails to disclose that a risk analysis is performed based on feedback information provided by the peers of the second participant.” Office Action mailed 12/20/2004 at page 4 (hereafter referred to as “Office Action”). However, the Office Action states, “*eBay* discloses that a risk analysis is done using feedback information provided by peers of the second participant at pages 31-35.” *Id.*

Applicants respectfully submit that the Office Action has mischaracterized *eBay*. In particular, the cited passage does not teach or suggest the claimed “performing a risk analysis,” much less the claimed “risk analysis to determine whether the second participant is qualified to use a payment instrument.” In contrast, *eBay* at pages 31-35 describes a mechanism for sharing a user’s feedback with other users. According to *eBay*, users share feedback to allow “buyers and sellers to establish a track record in the community that can be viewed by potential buyers and sellers.” *eBay* at page 31. As such, Applicants submit that the combination of Egendorf and *eBay* does not teach or suggest each and every element of claim 1.

*Discussion of Claims 13 and 25*

Claims 13 and 25 each include features similar to those noted in the discussion of claim 1. Applicants respectfully submit that for at least the reasons noted above, the combination of Egendorf and *eBay* does not teach or suggest each and every element of claims 13 and 25.

*Discussion of Claims 2-3, 8-10, 12, and 14-24*

Claims 2-3, 8-10, 12, and 14-24 each depend, directly or indirectly, on one of claims 1 or 13. Applicants respectfully submit that for at least the reasons noted above, the combination of Egendorf and *eBay* does not teach or suggest each and every element of claims 2-3, 8-10, 12, and 14-24.

*Discussion of Claims 4, 5-7 and 11*

Claim 4 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Egendorf in view of *eBay* and further in view of Gifford (U.S. 6,049,785).

Claims 5-6 and 11 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Egendorf in view of *eBay* and further in view of Watson (U.S. 5,978,780).

Claim 7 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Egendorf in view of *eBay* and further in view of Tessler (“eBay’s Deal with Wells Fargo Allows Sellers to Accept Credit”).

Each of claims 4, 5-7, and 11 depend, directly or indirectly, on one of claims 1 or 13. As noted above, the combination of Egendorf and *eBay* does not teach or suggest each and every element of claims 1 or 13. For the combination of Egendorf, *eBay*, and Gifford, Watson or Tessler to teach or suggest each and every element of claims 4, 5-7, and 11, Gifford, Watson or Tessler must teach what the combination of Egendorf and *eBay* are lacking. The Office Action does not point to a passage in Gifford, Watson or Tessler that teaches or suggests the claimed “performing a risk analysis... to determine whether the second participant is qualified to use a payment instrument.” (Emphasis added.) As such, Applicants respectfully submit that the combination of Egendorf, *eBay*, and Gifford, Watson or Tessler does not teach or suggest each and every element of claims 4, 5-7, or 11.

#### THERE IS NO SUGGESTION TO COMBINE EGENDORF WITH *EBAY*

Applicants submit that the Office Action has improperly combined Egendorf with *eBay*. Just because references can be combined or modified, the resultant combination is not obvious unless the prior art also suggests the desirability of the combination. In re Mills, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990); MPEP § 2143.01.

The Office Action asserts that “it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Egendorf by allowing the first participant to specify a payment form used by the second participant as taught by *eBay* because this would have allowed the first participant to exercise greater control over the transaction.” However, the Office Action does not identify a single passage from Egendorf that suggests the desirability of the cited combination.

Additionally, the Office Action asserts that “it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Egendorf with the risk analysis [of *eBay*] using feedback information provided by peers of the second participant of *eBay* because this would provide information related to the participant's reliability and likelihood of prompt payment.” (Emphasis added.) The Office Action goes on to assert that this “is supported by the text at page 31 [of *eBay*], text beginning ‘In the world of commerce...’, which clearly shows the importance to a transaction of a user’s character.” (Emphasis added.) However, Applicants respectfully submit that the Office Action’s reasoning for the cited combination is unfounded. As noted above, *eBay* does not teach or suggest a “risk analysis to determine whether the second participant is qualified to use a payment instrument.” Because *eBay* does not teach what the Office Action purports, *eBay* does not lend support to the Office Action’s motivation for modifying Egendorf as per *eBay*.

Because the cited references do not teach or suggest modifying Egendorf, Applicants submit the Office Action has improperly used hindsight in rejecting the claims of the instant application. For at least the reasons discussed above, Applicants request withdrawal of the rejections under 35 USC §103.

#### Interview Request

Applicants request a telephone interview with the Examiner before any further action is taken on this case. Applicants’ representative, Andrew DeLizio, can be contacted at 281-213-8980.

#### Reservation of Rights

Applicants do not admit that documents cited under 35 U.S.C. §§ 102(a), 102(e), 103/102(a), or 103/102(e) are prior art, and reserves the right to swear behind them at a later date. Arguments presented to distinguish such documents should not be construed as admissions that the documents are prior art. Applicants also reserve the right to pursue cancelled and originally filed claims in a continuation application. Furthermore, Applicants do not acquiesce to any of the Examiner’s assertions about the claims or the cited references and reserve the right to argue these assertions in the future.

### CONCLUSION

Applicants respectfully submit that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 281-213-8980 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

JASON MAY ET AL.

By their Representatives,

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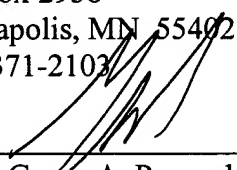
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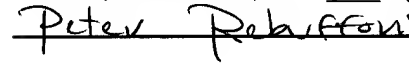
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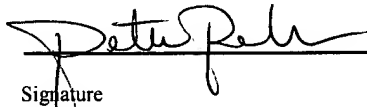
4-20-05

By

  
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Reg. No. 45,001

CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: MS Amendment, Commissioner of Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on this 20 day of April, 2005.

  
Name

  
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**IN THE DRAWINGS**

Corrected drawings are supplied herewith.

Enclosed is a Replacement Sheet of Figure 9. The Examiner objected to Figure 9 under 37 C.F.R. § 1.83(b) as being unidentifiable. A corrected Figure 9 is submitted with this Amendment.